

General Government





General Government

<u>Original Appropriations</u>	<u>FY 1996</u>	<u>FY 2006</u>	<u>Annual % Chg</u>	<u>Total % Chg</u>
<u>By Department or Division</u>				
Administration, Dept.	\$93.9	\$59.9	(4.4%)	(36.2%)
Administration, Dept.	20.9	38.6	6.3%	84.3%
Building Fund Adv. Council	70.6	21.1	(11.4%)	(70.2%)
Capitol Commission	---	.3	---	---
Personnel Commission	2.3	---	---	(100.0%)
Attorney General	12.4	16.0	2.6%	29.4%
Controller, State	9.8	11.8	1.9%	20.8%
Governor, Executive Office of	52.3	95.3	6.2%	82.2%
Aging, Commission on	9.3	12.3	2.9%	32.5%
Arts, Commission on the	---	1.6	---	---
Blind and Visually Impaired	3.3	3.8	1.3%	14.0%
Financial Management, Div.	3.1	2.1	(3.7%)	(31.8%)
Governor's Office	2.0	1.7	(1.7%)	(16.2%)
Human Resources, Div.	---	3.0	---	---
Human Rights Commission	.7	.9	2.5%	28.3%
Insurance Fund, State	9.5	---	---	(100.0%)
Investment Board	.5	---	---	(100.0%)
Liquor Dispensary	7.9	12.1	4.4%	53.7%
Military Division	12.7	44.4	13.4%	250.6%
Public Empl. Retire. Sys.	3.4	6.3	6.5%	87.7%
Species Conservation	---	7.1	---	---
Women's Commission	.0	.0	0.5%	5.1%
Legislative Branch	8.5	11.8	3.3%	37.9%
Lieutenant Governor	.1	.1	2.2%	24.7%
Revenue & Taxation, Dept.	21.1	33.5	4.7%	58.5%
Tax Appeals, Board of	.1	.3	11.8%	205.4%
Tax Commission, State	21.0	33.1	4.7%	57.7%
Secretary of State	3.6	2.1	(5.0%)	(40.2%)
Arts, Commission on the	1.8	---	---	(100.0%)
Secretary of State	1.8	2.1	1.8%	19.1%
Treasurer, State	1.3	1.8	3.4%	39.2%
Treasurer, State	1.3	1.8	3.4%	39.2%
Idaho Millennium Fund	---	---	---	---
Total	\$202.9	\$232.3	1.4%	14.4%

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General Government

<u>Original Appropriations</u>	<u>FY 1996</u>	<u>FY 2006</u>	<u>Annual % Chg</u>	<u>Total % Chg</u>
<u>By Fund Source</u>				
General	\$49.0	\$84.8	5.6%	73.0%
Dedicated	134.7	91.3	(3.8%)	(32.2%)
Federal	19.2	56.1	11.3%	191.7%
Total	\$202.9	\$232.3	1.4%	14.4%

Numbers Displayed in Millions of Dollars and May Not Add Due to Rounding

- ◆ The Capitol Commission was formed in 1998 to preserve the State Capitol building.
- ◆ The functions of the Personnel Commission were transferred to the Office of the Governor in FY 2000 and reorganized as the Division of Human Resources.
- ◆ In 2003 the Legislature moved the Commission on the Arts out from under the Secretary of State and placed it within the Office of the Governor.
- ◆ In 1998, the Legislature changed the State Insurance Fund from a state agency to an "independent body corporate politic". As a result, its funding is no longer subject to review and appropriation by the Legislature.
- ◆ In 1998, the Legislature moved the Endowment Fund Investment Board out from under the Office of the Governor and placed it under the Land Board.
- ◆ The Office of Species Conservation was created by the Legislature in 2000 at the request of the Governor.
- ◆ The Idaho Millennium Fund was established by the Legislature in 2000 as the repository of all funds received by the State of Idaho under the tobacco Master Settlement Agreement. Beginning in FY 2004, only the non-governmental organization projects are shown in the appropriated amount. The government project appropriations are transferred to, and shown in, their respective agency budgets.

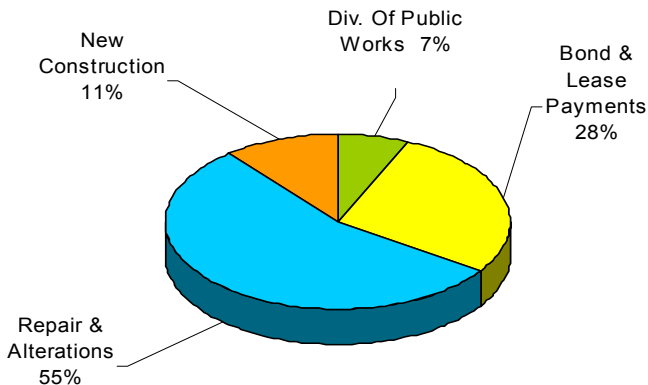
Permanent Building Fund or Capital Budget

Historical Sources of Revenue
(in millions)

Revenues	FY 02	FY 03	FY 04	FY 05	FY 06 est
Income Head Tax	5.9	5.7	5.7	5.5	5.9
Cigarette Tax	6.5	6.7	6.4	6.4	6.4
Beer Tax	1.3	1.3	1.4	1.4	1.5
Sales Tax*	5.0	5.0	5.0	5.0	5.0
Lottery	7.5	9.0	10.3	12.5	11.5
Budget Res. Interest	10.5	1.1	0.0	0.4	0.7
PBF Interest Earnings	0.0	4.1	0.8	1.4	0.4
<i>Subtotal</i>	36.7	32.9	29.6	32.6	31.4
General Fund money	65.0	0.3	0.0	0.0	0.0
GRAND TOTAL	101.7	33.2	29.6	32.6	31.4

*The table does not reflect periodic reappropriations or other miscellaneous revenue.

FY 2006 Permanent Building Fund Appropriation \$32,069,300*



*FY 2006 appropriation includes bond payments, division of public works appropriation, alteration and repairs, and capital construction projects. A five-person Advisory Council directs the Permanent Building Fund. Its membership consists of two legislators (one each from the House and Senate), one banker, one contractor and one member of the business community.

Permanent Building Fund

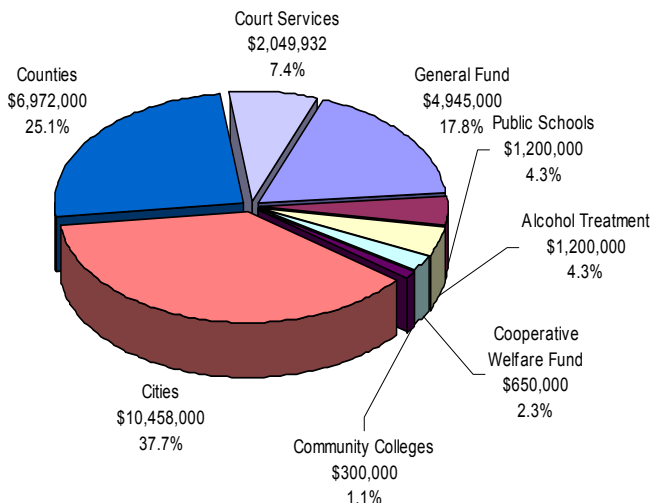
FY 2006 Appropriation—\$32,069,300

For FY 2006, the Legislature allocated most of the available Permanent Building Fund money, or \$17,548,500, for state-wide building maintenance (alteration and repair). This reflects an effort to maintain facilities already in use. In addition to maintenance projects four other projects were approved:

- ◆ \$2.2 million was authorized to renovate the headquarters of the Commission for the Blind and Visually Impaired. This will include major upgrades of the heating, ventilation, and air conditioning systems, fire safety systems, plumbing and electrical systems and elevators. This will also address numerous ADA-related issues.
- ◆ \$450,000 was authorized for planning and design of Phase 2 of the State Museum Addition. This will result in an addition of 9,600 square feet to the State Museum.
- ◆ \$745,000 was authorized to the Department of Correction for low-cost inmate housing. This will result in the construction of a stressed membrane structure providing semi-permanent housing for an additional 100 beds.
- ◆ \$115,000 was approved for fixtures at the new Idaho History Center. This will pay for fixed shelving and ladders at the new facility for storage and access to historical documents.

Other appropriations from the Permanent Building Fund included \$1,161,000 for the Division of Public Works' operating budget. Also, \$8,849,400 in bond payments was appropriated from the Fund. These bond payments go toward retiring the debt on several completed buildings and current construction projects across the state.

FY 2004
Distribution of Liquor Dispensary Earnings
Total = \$27,774,932



Statutory Profit Distribution Formula

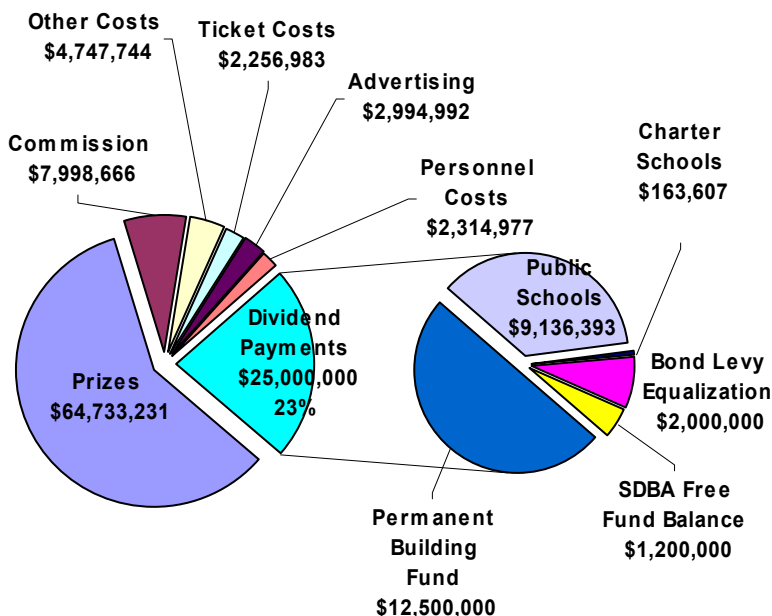
Two percent surcharge on liquor sales to the Drug Court and Family Court Services Fund.

Annual fixed distributions totaling \$8,295,000 to General Fund, Public Schools, Alcohol Treatment Fund, Cooperative Welfare Fund and Community Colleges.

Remainder of profits distributed as follows:

- 40% to counties in proportion to sales in each county.
- 60% to cities as follows:
 - 90% to those incorporated cities with liquor stores in proportion to sales.
 - 10% to those incorporated cities without liquor stores in proportion to population.

Where the Lottery Revenues went in FY 2005



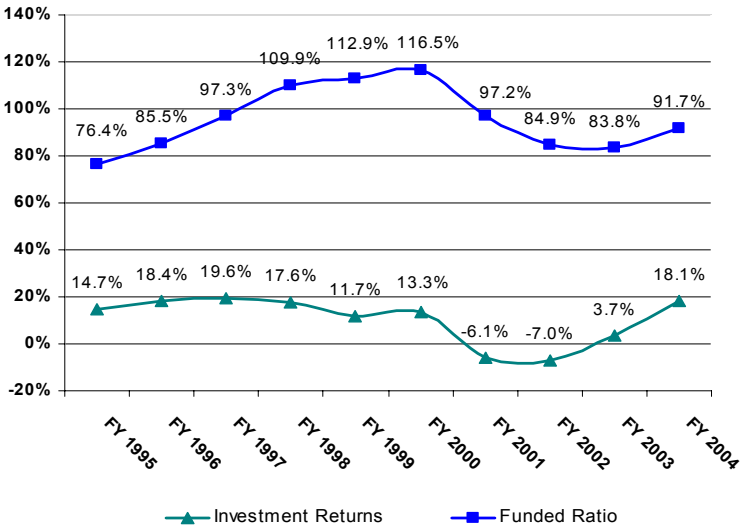
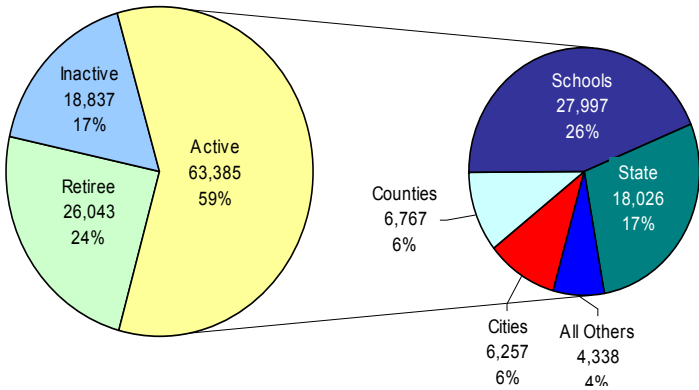
State lottery revenues are derived from the sale of lottery tickets and deposited into the State Lottery Fund. The Fund is used to pay agency administrative costs including personnel, operating, and capital outlay. Other expenditures authorized from the State Lottery Fund, and appropriated on a continuous basis include expenses for prizes, retail commissions, and advertising and promotion costs.

Per Idaho Code section 67-7434 a lottery dividend must be paid annually from net income of lottery ticket sales. One-half of the dividend is paid to the state Permanent Building Fund and the other half of the dividend is paid to the School District Building Account. In FY 2005 the total dividend was \$25,000,000.

The State Board of Education for FY 2005 spent the majority of the lottery dividend on maintenance, furnishing, and/or purchasing sites for public school buildings across the state. Charter schools received \$163,607 for maintenance or construction costs. The Bond Levy Equalization Fund received \$2,000,000 as instructed by SB 1434, and the State Board held \$1,200,000 in the School District Building Account.

Public Employee Retirement System of Idaho

688 employer units belong to PERSI, for a total system membership of 108,265



The PERSI Base Plan experienced a 18.1% gross return on investments in FY 2004, which equals \$1.113 billion in net investment gain. As of July 1, 2004, the PERSI Base Plan fund was valued at over \$7.43 billion, up from \$6.31 billion the prior year. PERSI's unfunded actuarial liability at 7.8 years is less than the 25-year amortization period required by law. In November 2002, the PERSI board approved a total contribution rate increase including employee and employer rates, of 3% (phased-in over three years beginning in FY05). The second rate increase scheduled for FY 2006 was postponed for one year. At the end of the phase in, contribution rates will be at the same level they were prior to November of 1997 when rates were originally reduced 3%.

Idaho Millennium Fund

\$ Millions

Fiscal Year	Beg. Market Value	Receipts	Transfers to Gen. Fund	Earnings/ (Losses)	Transfers to Approp.	Ending Market Value
2000		\$ 29.7		\$.5	(\$.4)	\$ 29.8
2001	\$ 29.8	\$ 22.8		(\$2.1)	(\$1.8)	\$ 48.8
2002	\$ 48.8	\$ 26.6	(\$19.3)	(\$4.2)	(\$2.4)	\$ 49.3
2003	\$ 49.3	\$ 26.7	(\$70.3)	(\$.72)	(\$4.9)	\$0
2004	\$0	\$ 22.8		(\$.06)	\$0	\$ 22.8
2005	\$ 22.8	\$ 23.2		\$.6	(\$1.9)	\$ 44.6
2010	\$ 178.9	\$ 32.1		\$ 14.9	(\$5.6)	\$ 220.3
2015	\$ 403.2	\$ 33.4		\$ 32.7	(\$15.9)	\$ 453.5
2020	\$ 668.6	\$ 32.2		\$ 53.7	(\$28.4)	\$ 726.0
2025	\$ 978.7	\$ 33.9		\$ 78.3	(\$42.8)	\$ 1,048.1

- ◆ The 2000 Legislature established the Idaho Millennium Fund as an endowment fund structure to receive, invest and disburse funds that the state receives as a result of the master settlement agreement reached with tobacco companies. This legislation preserves the long-term capital value of these funds through a 5 percent annual distribution rule. Fund investments are managed by the State Treasurer.
- ◆ There is **NO** statutory restriction on how the money in the fund may be used. Idaho Code §67-1802 simply provides that “the uses of this fund shall be determined by legislative appropriation.”
- ◆ H701 (2002 Idaho Session Laws 156) transferred the April 2002 tobacco payment of \$19.3 million directly to the General Fund.
- ◆ S1517 (2002 Idaho Session Laws 205) transferred \$10 million to the General Fund from the fiscal year 2003 scheduled tobacco payments.
- ◆ S1195 (2003 Idaho Session Laws 341) transferred the following: (1) \$798,200 to the Income Fund for FY03 Millennium Fund appropriations; (2) \$2,438,700 to the Income Fund for FY04 Millennium Fund appropriations; (3) the entire remaining balance of the fund to the General Fund (\$40.7 million); and (4) \$16.3 to the General Fund from the April 2003 tobacco payment.